

EXHIBIT A



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2009-2010

August 28, 2015

Courtney Cikach
Educational Funding Group, Inc.
26650 Renaissance Parkway
Suite 2
Cleveland, OH 44128

Re: Applicant Name: CHINLE UNIFIED SCHOOL DIST 24
Billed Entity Number: 143224
Form 471 Application Number: 694368
Funding Request Number(s): 1907046, 1907211, 1907453, 1907530
Your Correspondence Dated: July 07, 2014

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2009 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 1907046
Decision on Appeal: **Denied**
Explanation:

- Based on our review of the FRN, we have determined that Chinle Unified School District requested the board to approve the award of the bid for Smith Bagley, Inc. aka CellularONE of N.E. Arizona on February 17, 2009 which is after FCC Form 471 certification post mark date of February 12, 2009. On the appeal, you failed to prove that USAC's decision was incorrect.
- USAC has determined, that at the time you submitted your FCC Form 471 application, you did not have a contract with your service provider(s), which meets your state and local or the FCC's definition of a contract. Additionally, the services you requested are not tariff or month-to-month services. Except for services to be delivered under non-contracted tariff or month-to-month arrangements, FCC rules require that applicants submit a completed FCC Form

471 "upon signing a contract for eligible services." *See* 47 C.F.R. sec. 54.504(c). In your appeal, you did not demonstrate that USAC's decision was incorrect. As USAC does not have authority to waive the FCC rules of the program, your appeal is denied.

Funding Request Number(s): 1907211

Decision on Appeal: **Denied**

Explanation:

- Based on our review of the FRN, we have determined that Chinle Unified School District failed to provide vendor bid score sheets showing the criteria utilized in their vendor selection process. Because we did not receive these documents, we were unable to determine the evaluation factors and if price of the eligible products and services was the primary factor in their vendor selection process. Since Chinle failed to produce the aforementioned documentation USAC denied the funding request.

Additionally, it has been determined that Chinle requested the board to approve the award of the bid for Verizon Business Global LLC on 2/17/09 which is after FCC Form 471 certification post mark date of 2/12/09. On the appeal, you failed to prove that USAC's decision was incorrect.

- USAC has determined, that at the time you submitted your FCC Form 471 application, you did not have a contract with your service provider(s), which meets your state and local or the FCC's definition of a contract. Additionally, the services you requested are not tariff or month-to-month services. Except for services to be delivered under non-contracted tariff or month-to-month arrangements, FCC rules require that applicants submit a completed FCC Form 471 "upon signing a contract for eligible services." *See* 47 C.F.R. sec. 54.504(c). In your appeal, you did not demonstrate that USAC's decision was incorrect. As USAC does not have authority to waive the FCC rules of the program, your appeal is denied.
- FCC rules require that the schools and libraries retain all documents related to the application for, receipt and delivery of discounted telecommunications and other supported services for at least five years after the last day of service delivered in a particular Funding Year. Any document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries mechanism shall be retained as well. *See* 47 C.F.R. § 54.516(a). The applicants and service providers are further required to produce such records upon a request of any representative (including any auditor) appointed by a state education department, the Administrator, the FCC or any local, state or federal agency with jurisdiction over the entity. *See* 47 C.F.R. 54.516(b). For further guidance on the FCC's recordkeeping requirements *See* Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Fifth Report and Order and Order, 19 FCC Rcd 15808,15824-15826 paras. 47-50 (rel. Aug. 13, 2004).

Funding Request Number(s): 1907453, 1907530

Decision on Appeal: **Denied**

Explanation:

- Based on our review of the FRNs, we have determined that during initial review Chinle Unified School District failed to provide copies of all bids received for the above referenced FRNs. Additionally, Chinle failed to provide vendor bid score sheets showing the criteria utilized in their vendor selection process. Because we did not receive these documents, we were unable to determine the evaluation factors and if price of the eligible products and services was the primary factor in their vendor selection process. Since Chinle failed to produce the aforementioned documentation USAC denied the funding requests.

Additionally, we have determined that no contract was in place when the FCC Form 471 Certification was filed. FCC Rules require that a contract be signed and dated by the applicant prior to the filing of the FCC Form 471 Certification for the products and services requested. Although Chinle listed these FRNs as a month to month service, Chinle provided an agreement with Frontier dated February 2, 2009 signed only by the vendor and not by Chinle. Furthermore, Chinle requested the board to approve the award of the bid on February 17, 2009 which is after FCC Form 471 certification post mark date of February 12, 2009; therefore, a valid contract was not in place. On the appeal, you failed to prove that USAC's decision was incorrect.

- USAC has determined, that at the time you submitted your FCC Form 471 application, you did not have a contract with your service provider(s), which meets your state and local or the FCC's definition of a contract. Additionally, the services you requested are not tariff or month-to-month services. Except for services to be delivered under non-contracted tariff or month-to-month arrangements, FCC rules require that applicants submit a completed FCC Form 471 "upon signing a contract for eligible services." *See* 47 C.F.R. sec. 54.504(c). In your appeal, you did not demonstrate that USAC's decision was incorrect. As USAC does not have authority to waive the FCC rules of the program, your appeal is denied.
- FCC rules require that the schools and libraries retain all documents related to the application for, receipt and delivery of discounted telecommunications and other supported services for at least five years after the last day of service delivered in a particular Funding Year. Any document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries mechanism shall be retained as well. *See* 47 C.F.R. § 54.516(a). The applicants and service providers are further required to produce such records upon a request of any representative (including any auditor) appointed by a state education department, the Administrator, the FCC or any local, state or federal agency with jurisdiction over the entity. *See* 47 C.F.R. 54.516(b). For further guidance on the FCC's recordkeeping requirements *See* Schools and Libraries Universal Service Support

Mechanism, CC Docket No. 02-6, Fifth Report and Order and Order, 19 FCC Rcd 15808,15824-15826 paras. 47-50 (rel. Aug. 13, 2004).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

cc: Victor Trejo

EXHIBIT B



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2010-2011

August 31, 2015

Courtney Cikach
Educational Funding Group, Inc.
26650 Renaissance Parkway
Suite 2
Cleveland, OH 44128

Re: Applicant Name: CHINLE UNIFIED SCHOOL DIST 24
Billed Entity Number: 143224
Form 471 Application Number: 762938
Funding Request Number(s): 2061752, 2061913, 2095101, 2061877, 2061955
Your Correspondence Dated: July 07, 2014

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2010 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2061752
Decision on Appeal: **Partially Approved, Funding Denied**
Explanation:

- Your appeal has brought persuasive information that your appeal should be partially approved. Funding is denied for the reasons cited below.

Based on our review of this FRN, we have determined that no contract was in place when the FCC Form 471 Certification was filed. FCC Rules require that a contract be signed and dated by the applicant prior to the filing of the FCC Form 471 Certification for the products and services requested. Although Chinle Unified School District (CUSD listed this FRN as a month to month service, CUSD provided purchase order # 168417 dated 4/13/10 and a purchase requisition # 168417 dated 2/10/10. The purchase order is dated after the certification post mark date of 2/18/10 and the purchase requisition alone is not a

valid contract. Arizona's School District Procurement Code (sec. R7-2-1001(70) (2011)) defines "a "purchase requisition" as a "document, or electronic transmission, whereby a school district requests that a contract be entered into for a specific need, and may include, but is not limited to, the description of the requested item, delivery schedule, transportation data, criteria for evaluation, suggested source of supply and information supplied for the making of any written determination required by this Article." By definition, a purchase requisition is a mere request to enter a contract, but not a contract itself. To be legally binding, there needs to be some indication that the service provider accepted the terms of the purchase requisition form, such as a quote, a signed acknowledgment form, or delivery of the requested products or services. CUSD has not provided any evidence to show that the service provider accepted the terms of the purchase requisition form. As a result, the purchase requisition for this FRN alone cannot be considered a valid contract under Arizona law because there is no evidence that the offer was accepted by the service provider. Therefore, because there was no legally binding agreement/approved contract in place with the service provider prior to the certification of the FCC Form 471, the FRN was denied.

USAC has determined, that at the time you submitted your FCC Form 471 application, you did not have a contract with your service provider(s), which meets your state and local or the FCC's definition of a contract. Additionally, the services you requested are not non-contracted tariff or month-to-month services. Except for services to be delivered under non-contracted tariff or month-to-month arrangements, FCC rules require that applicants submit a completed FCC Form 471 "upon signing a contract for eligible services." See 47 C.F.R. sec. 54.504(c). In your appeal, you did not demonstrate that USAC's decision was incorrect. As USAC does not have authority to waive the FCC rules of the program, your appeal is partially approved, funding denied.

<u>Funding Request Number(s):</u>	2061913, 2095101
Decision on Appeal:	Partially Approved, Funding Denied
Explanation:	

- Your appeal has brought persuasive information that your appeal should be partially approved. Funding is denied for the reasons cited below.

FCC Rules require applicants to retain all documentation regarding the competitive bidding process and select the most cost-effective product and/or service offering with price being the primary factor. Based on our review of these FRNs, we have determined that Chinle Unified School District (CUSD) failed to provide the number of bids received in response to this request and the vendor bid score sheet showing the criteria utilized in selecting their vendor. Because we did not receive these documents, we were unable to determine the evaluation factors and if price of the eligible products and services was the primary factor in CUSD

vendor selection process, therefore these FRNs were denied. On the appeal, you failed to prove that USAC's decision was incorrect.

- FCC rules require that the schools and libraries retain all documents related to the application for and receipt and delivery of discounted Telecommunications and other supported services for at least five years after the last day of service delivered in a particular funding year. Any document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries mechanism shall be retained as well. *See* 47 C.F.R. § 54.516(a). The applicants and service providers are further required to produce such records upon request of any representative (including any auditor) appointed by a state education department, the Administrator, the FCC or any local, state or federal agency with jurisdiction over the entity. *See* 47 C.F.R. 54.516(b). For further guidance on the FCC's recordkeeping requirements *See* Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Fifth Report and Order and Order, 19 FCC Rcd 15808,15824-15826 paras. 47-50 (rel. Aug. 13, 2004).

Funding Request Number(s): 2061877, 2061955
Decision on Appeal: **Denied**
Explanation:

- FCC Rules require applicants to retain all documentation regarding the competitive bidding process and select the most cost-effective product and/or service offering with price being the primary factor. Based on our review of these FRNs, we have determined that Chinle Unified School District (CUSD) failed to provide the number of bids received in response to this request and the vendor bid score sheet showing the criteria utilized in selecting their vendor. Because we did not receive these documents, we were unable to determine the evaluation factors and if price of the eligible products and services was the primary factor in CUSD vendor selection process, therefore the FRNs were denied.

Additionally, documentation was not provided to demonstrate that a contract was in place when the FCC Form 471 certification was filed. On the appeal, you failed to prove that USAC's decision was incorrect.

- USAC has determined, that at the time you submitted your FCC Form 471 application, you did not have a contract with your service provider(s), which meets your state and local or the FCC's definition of a contract. Additionally, the services you requested are not non-contracted tariff or month-to-month services. Except for services to be delivered under non-contracted tariff or month-to-month arrangements, FCC rules require that applicants submit a completed FCC Form 471 "upon signing a contract for eligible services." *See* 47 C.F.R. sec. 54.504(c). In your appeal, you did not demonstrate that USAC's decision was incorrect. As USAC does not have authority to waive the FCC rules of the program, your appeal is denied.

- FCC rules require that the schools and libraries retain all documents related to the application for and receipt and delivery of discounted Telecommunications and other supported services for at least five years after the last day of service delivered in a particular funding year. Any document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries mechanism shall be retained as well. *See* 47 C.F.R. § 54.516(a). The applicants and service providers are further required to produce such records upon request of any representative (including any auditor) appointed by a state education department, the Administrator, the FCC or any local, state or federal agency with jurisdiction over the entity. *See* 47 C.F.R. 54.516(b). For further guidance on the FCC's recordkeeping requirements *See* Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Fifth Report and Order and Order, 19 FCC Rcd 15808,15824-15826 paras. 47-50 (rel. Aug. 13, 2004).

Since your appeal was partially approved but funding was denied, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

cc: Victor Trejo

EXHIBIT C

From: Erate Support <erate@naa.com>
Sent: Friday, May 07, 2010 12:25 PM
To: ncorlet@sl.universalservice.org
Cc: 'Erate Support'
Subject: chinle yr00 SLD PIA 04-14-10 regarding yr13,yr12,yr11, yr9 free service and competitive bidding
Attachments: chinle yr00 SLD PIA 04-14-10 regarding yr13,yr12,yr11, yr9 free service and competitive bidding.pdf

Natasha,

Here is our response to your questions of 4/4/2010.

Because of volume, we will be sending our response in several emails over the next half hour. Please be sure that you receive all of the following.

chinle yr00 SLD PIA 04-14-10 regarding yr13,yr12,yr11, yr9 free service and competitive bidding.pdf

Chinle yr00 SLD Special Compliance certification.pdf

chinle yr11.1 RFP 6300000232.pdf

chinle yr11.3 BID OPENING 6300000235.pdf

chinle yr11.4t PROPOSALS Section T after yr11.3 6300000237.pdf

chinle yr11.5 BID RESULTS 6300000236.pdf

chinle yr12.1 RFP 6300000238.pdf

chinle yr12.2 RFP TRANSMISSION 6300000239.pdf

chinle yr12.3 BID OPENING 6300000240.pdf

chinle yr12.4 & 12.4B PROPOSALS 6300000241.pdf

chinle yr12.4u PROPOSALS Section U file after yr12.4.B.pdf

chinle YR12.5 BID RESULTS 6300000242.pdf

chinle yr13.1 RFP 6300000243.pdf

chinle yr13.2 RFP TRANSMISSION 6300000244.pdf

chinle yr13.3 BID OPENING 6300000245.pdf

chinle YR13.4 PROPOSALS 6300000246.pdf

chinle yr13.4v PROPOSALS Section V file after yr13.4.18 6300000252.PDF

chinle yr13.4y PROPOSALS Section Y Sentinal file after yr13.4.V.pdf

chinle YR13.5 BID RESULTS 6300000247.pdf

chinle yr13.6x EVALATION MATRIXES Section X pages 29-41 file after yr13.5.pdf

If you have any questions, give me a call

Steve Kaplan

Educational Funding Group
25801 Richmond Road
Cleveland, OH 44146
Tel: 216-831-2626
Fax: 216-831-2822
Cell: 216-536-4720
e-mail: erate@naa.com

5/6/2010

Natasha Corlette
Special Compliance Reviewer
USAC, Schools and Libraries Division
Phone: 973.581.6711
Fax: 973.599.6552
E-mail: ncorlet@sl.universalservice.org

Dear Ms. Corlette,

The following is our response to your Special Compliance PIA questions of April 14, 2010. Please use the following table in conjunction with our responses.

Table #1 Summary of documents being sent in today's response

<u>Document Description</u>	<u>YR11 FY2008/09</u>	<u>YR12 FY2009/10</u>	<u>YR13 FY2010/11</u>
1. <u>RFP</u>	att yr11.1	att yr12.1	att yr13.1
2. <u>RFP TRANSMISSION SHEETS</u>		att yr12.2	att yr13.2
3. <u>BID OPENING ATTENDANCE SHEETS</u>	Att yr11.3	att yr12.3	att yr13.3
4. <u>PROPOSALS RECEIVED</u>	Section T Ardham	Att yr12.4 RST & yr12.4.B Comlink & Section U Ardham	Att yr13.4 Comlink & Section Y Sentinel & Section V Ardham
5. <u>BID RESULTS</u>	Att yr11.5	att yr12.5	att yr13.5
6. <u>Evaluation Matrixes</u>			Section X pages 29-41

Your requests and our responses are below.

SLD request #1 – Description of issues:

As was previously mentioned, documentation submitted in support of FCC Form 474 Service Provider Invoice (SPI) Form for your FY2006 FCC Form 471 application # 534955: FRN 1479641 appears to refer to free services, and/or discounts or trade-ins. The tax at 6.875% seems to have been misunderstood and not included on the Service Substitution quote to USAC. This was identified when Ardham submitted the invoice for services rendered to Chinle USD. Chinle USD agreed to pay a portion of the tax and Ardham would pay the balance as a loss since it was not accounted for in the original quote.

The aforementioned information raises questions regarding practices that USAC, as the program administrator, is obligated to address. Specifically:

- An applicant may not receive free or discounted services from a service provider that have the effect of providing a discount level to the applicant greater than the discount allowed for Schools and Libraries support.*
- Applicants and service providers are prohibited from using Schools and Libraries support to subsidize the procurement of ineligible or unrequested products and services or from participating in arrangements that have the effect of providing a discount level to applicants greater than that to which applicants are entitled.*
- According to the USAC website, <http://www.universalservice.org/sl/applicants/step03/run-open-fair-competition.aspx>, the goal of competitive bidding is to have as many bidders as possible respond to a Form 470, RFP, or other solicitation method so that the applicant can receive better service and lower prices. The competitive bidding process must be fair and open. "Fair" means that all bidders are treated the same and that no bidder has advance knowledge of the project information. "Open" means there are no secrets in the process – such as information shared with one bidder but not with others – and that all bidders know what is required of them.*

We are sure you understand that USAC, as the program administrator, is obligated to address this concern. Therefore,

SLD request #1 – Actual Request:

- *Please provide your response to the aforementioned information and provide any and all documentation to support your responses.*

Our response to request #1 regarding Free Services Issue:

In response to your question of April 14, 2010 regarding FRN 1479641, Chinle USD wants the SLD to know that it has not received any free or discounted services from its E-rate Service Provider, Ardham Technologies. Arizona state law requires that Chinle USD pay sales tax on its equipment purchases; labor is not taxable. Chinle USD has always been fully aware of this obligation and Ardham never offered to assume any portion of the responsibility.

For FRN 1479641 a SPIN change was authorized on September 28, 2008 from World Wide Technologies (WWT) to Ardham Technologies. The competitive bidding processes selecting WWT as the service provider were conducted prior to Chinle USD's filing of its Form 471. When Chinle USD awarded to WWT no free services, discounts or trade-ins were considered in Chinle's evaluation processes. It needs to be noted that during the original competitive bidding process (in early 2006) Ardham did not submit a bid for FRN 1479641, therefore there is no supporting documentation to provide in support of Chinle's evaluation process as it pertains to Ardham. Regardless, in its selection of Ardham as the SPIN change vendor, Chinle USD was not offered any free services, discounts or trade-ins by Ardham.

In September 2008 Ardham prepared a Service Substitution request from which sales tax was left off. Sales tax was not included because Ardham had made the erroneous assumption that Chinle USD was exempt from paying sales tax. At some point during the summer of 2009 Ardham became aware that Chinle USD was not tax exempt and that sales tax should have been included in the Service Substitution request. Until this time, neither Chinle USD, Ardham nor the SLD had noticed that taxes had been omitted from the request. Had Ardham prepared the Service Substitution to include sales tax, 90% of the tax for the FRNs in question would have been reimbursed by the SLD.

In October 2009 Ardham contacted the SLD for guidance as how to handle the missing tax. Chinle USD was unaware of this communication and only first learned of it in March 2010 when it received the USAC Special Compliance inquiry. Chinle USD was always aware of its obligation to pay state sales tax and has no idea of how the idea of Ardham absorbing the tax as a loss came to occur. All Chinle knows is that Ardham recently said the tax absorption was the SLD's suggestion and that Ardham never agreed to that suggestion. Regardless, Chinle USD never received an offer from Ardham to pay the sales tax on Chinle's behalf nor was there ever mention of other free services or discounts of any kind. Even when Ardham discovered its error it never offered to pay the sales tax nor did Chinle ever request Ardham do so. Chinle USD always knew the obligation to pay sales tax was theirs. This is evidenced by the fact that it paid sales tax on its 10% non-discount share (see USAC invoice 9170). Chinle has no first-hand knowledge of whether USAC gave Ardham instruction to pay the tax and absorb it as a loss or how that concept might have otherwise arisen, but the matter of Ardham paying a portion of the tax was never discussed with Chinle.

Based on the above facts, it should be clear that Chinle USD never asked, nor did Ardham ever offer to or provide, free or discounted services. Free or discounted services played no part in Chinle's decision to select Ardham as its SPIN change service provider. If anything, Ardham's failure to include taxes on the Service Substitution had a negative impact on Chinle since as a result it lost the SLD 90% discount share of the taxes and now has to pay out of pocket for 100% of the taxes. If anything, this would have rendered it likely Ardham would be viewed less favorably in future competitive bidding, not more so.

It appears the SLD's inquiry into whether Ardham provided Chinle USD free or discounted services arose from Ardham's failure to include the taxes on the Item 21 and the resultant multiple errors and misunderstandings by Chinle, Ardham and the SLD which compounded Ardham's mistake. The reality is that it was a "comedy of errors" in which all parties were acting in good faith while trying to clear up a somewhat complicated situation that wasn't discovered for almost a year.

Chinle USD has always recognized its obligation to pay sales tax and understands that since the sales tax was left off the Service Substitution for FRN 1479641, it has to bear the responsibility of paying the tax on the 90% discounted portion as well as on its 10% non-discount share. Presently it is Chinle USD's understanding that Ardham will invoice the district in the near future for the yet unpaid amount of the tax due for the purchase of products. Once the invoice is reviewed for accuracy Chinle USD will make prompt payment of the balance of tax due. Never has it received or intended to receive any free or discounted services from Ardham.

SLD request #2

- Please provide a copy of (a) the Request for Proposal (RFP), if there is one, and (b) any additional documentation to indicate the extent to which free services, and/or discounts or trade-ins were part of your evaluation process in determining your selection of Service Provider bids for Program eligible services. Include (c) the documents relied upon to evaluate bids and to select the service provider. See the Free Services Advisory at <http://www.usac.org/sl/applicants/step06/free-services-advisory.aspx> for additional information.

Our response to Request #2 (a) regarding RFPs: See Table #1 Row 1.

Our response to (b) regarding free service:

There are no documents showing that even remotely suggest that any free service were provided or had any effect upon our evaluation. This is because there was never any expectation or suggestion that Chinle would receive any free services. Please see our above response to your first question for further details.

Our response to (c) regarding documents relied upon to evaluate bids:

The evaluation of the bids in each year was straight forward. For FRNs in which there was only a single bid, Chinle reviewed the bids for reasonableness and for the qualifications of the vendor, then accepted the bid. When there were more than one bid, Chinle evaluated each based upon the following weights with price being the highest.

- 25 points Price
- 20 points Comprehensiveness of solution
- 20 points K-12 Experience and Personnel Qualifications
- 20 points Company Capability/capacity
- 20 points E-Rate capability

Additional details are provided in Table #1 and in our answer to the next SLD question. See items (d) and beyond which can be found several paragraphs below.

SLD Request #3

- Please provide (d) your bid evaluation matrix that was used to select your vendor for FY 2008, 2009 and 2010. Specifically, the Funding Request Numbers (FRNs) are FRN 1754674, 1754875, 1908525, 1908657, 1908739, 1908821, 2063126, 2063132, 2063136, 2063142, and 2063155. (e) Include all bids that you received and any other bid documentation such as (f) attendance sheets, (g) correspondences to and from the bidding vendor and a (h) description of your bid evaluation process. This information should be provided for Basic Maintenance of Internal Connections services. For additional information regarding this section, please visit <http://www.universalservice.org/sl/applicants/step04/construct-evaluation.aspx>

(e) Include all bids that you received and any other bid documentation such as SEE TABLE 1 ROW 4

(f) attendance sheets, SEE TABLE 1 ROW 3

(g) correspondences to and from the bidding vendor and a SEE TABLE 1 ROW 4.

(h) description of your bid evaluation process. SEE BELOW.

Our response to Request #3 item (h) asking us to describe Chinle's bid evaluation process:

For FY2010 Chinle prepared RFPs and posted them on Chinle's website. Chinle also posted 470s on the SLD website as required by SLD rules. When vendors called with inquiries about the 470s, the RFP was sent and the vendor's name was logged (see attachments yr13.2). On the final bid date, Chinle assembled the available members of the evaluation team and opened the sealed bids in their presence. The attendance sheets of these bid openings are shown in attachment yr13.3.

The proposals (see attachments yr13.4, Section Y and Section V) were copied and given to each member of the evaluation committee along with worksheets (i.e. matrixes) to record the evaluations (see yr13.6).

After each bid was evaluated by each member of the evaluation committee (section X pages 30 to 41) the evaluations were tabulated on a summary matrix (Section X page 29) which was used to decide the actual award. A summary of the awards was prepared and sent to the superintendent (see attachments yr12.5 and yr13.5)

The summary evaluation matrixes for FY2009 can be found in Section X page 29. Please note, even though the SLD's question is only about basic maintenance and Ardham's FRNs, Page 29 is a matrix of every vendor's response, including telecom, internet access, internal connections. Since Vendors 2, 4, 6 and 7 were not proposing Basic

Maintenance they are irrelevant and are not included in today's response. Pages 30 through 41 contain detail evaluations for the Basic Maintenance proposals from Vendor 1 (Ardham), Vendor 3 (Sentinel) and Vendor 5 (Comlink).

470 283370000780203 contained requests for 5 types of basic maintenance service. Bids were received from 3 different vendors, Comlink, Ardham and Sentinel. The evaluation sheets for these bids are shown in Section X pages 30 to 42.

Since Chinle is a 4 hour drive from the nearest large city, there were not many vendors interested in making proposals to provide requested services. Consequently 3 of the requested services received only a single proposal which was from Ardham. The proposal for maintenance of servers is shown in Section V page 2 and 3. The proposal for maintenance of video carts is shown in Section V page 4. The proposal for maintenance of UPSs is shown in Section V pages 5 to 8. For these 3 services Chinle reviewed the proposals for reasonable pricing. Based upon past experience, Ardham's quality of service was satisfactory. Finally, Ardham has a state approved master contract #R4821 which was a result of competitive bidding at the state level (See URL http://www.tcpn.org/apps/t_vendor_detail.aspx?VID=226). Based on these factors and the evaluation matrixes shown in section X pages 30 to 41, these 3 Ardham proposals were accepted.

One of the requested services that received two bids was for maintenance of Cabling. Comlink's proposal for \$258,291.42 is shown in Section W pages 49 to 66 and Ardham's proposal for 198,435.75 is shown in Section V pages 9-12. The evaluation matrixes in Section X page 30 to 41 show that the Ardham's price was lower, so Ardham's proposal won the bidding.

Another of the requested services that received two bids was for maintenance of switches including Cisco smartnet. Sentinel's proposal for \$153,385.00 is shown in Section Y and Ardham's proposal for 270,301.13 is shown in Section V pages 13 to 22. It should be noted that the evaluation sheets show that Sentinel consistently scored the most points in the "Price" category, but they lost points in the remaining categories, so that their overall point score was considerably lower than Ardham's. Also, Ardham proposed a comprehensive service including Servers, UPSs and BNI carts which Sentinel did not bid. In accordance with Chinle's evaluation matrixes, the bids were awarded to Ardham.

With one significant difference, the above FY2010 process also occurred in previous funding years. The significant difference is that in FY2008 and FY2009 there was only one bidder for each requested service. Since there were no competing bids, there was no need to formally document a decision matrix. The sole exception was for FRN 1908349 which had two bidders. For that FRN, Rising Sun Technologies' bid was slightly lower than Comlink's proposal, but Chinle chose Comlink because other relevant factors revealed that Comlink would be the most cost effective provider. For more details, see the bid results memo shown in yr12.5.1 "II Cable & Fiber Maintenance".

SLD Request #4

- *Please complete, sign and date the attached certification.*

Our response to Request #4.

The special compliance review certification is attached.

This concludes our response.

This response was prepared by Educational Funding Group

Contact Steve Kaplan

216-831-2626

erate@naa.com

YR 12.5.1

To: Carmelita Norcross; Purchasing Department.
From: Victor Trejo; Computer Services Director
Date: February 11, 2009
Re: Bids results

Thanks for taking the time for the open bidding on our 470 form Erate number 637830000724526

Application 4702009B

Posted in SLD Website. Here are the results on bids selected by the panel in February 10, 2009.

I. Cellular Services & Smartphone Services

The Panel open 1 bid from Cellular One numbers 16 cellular phones with services nationwide.

The Panel opens 1 bid from CellularOne Number 10 SmartPhones and unlimited nationwide data services.

II. Cable & Fiber Maintenance.

The Panel opens 2 bids for this FRN. A bid was received by Comlink Southwest with the amount of 260,182.81.

The Second bid is from Rising Sun Technologies with the amount of 248,857.28

The Panel rewarded the bid to Comlink SouthWest due to their past projects done in CUSD # 24, cost effective, quality of work, in time closing project and professional attitude on their projects.

III. Smartnet.

The panel received 1 bid and awarded to Ardham technologies to renew the annual Cisco support and professional services support for the amount of 250,970.35 (smartnet 120,658.82) (professional services 120,658.82).

Ardham technologies submitted and awarded 1 bid for the amount of 69,764.24 for Eligible BNI carts.

Ardham technologies submitted and awarded 1 bid for the amount of 50,566.88 for UPS maintenance district Wide.

Ardham technologies submitted and awarded 1 bid for the amount of 76,882.00 for maintenance on DNS, DHCP, Proxy, Terminal Services and Exchange Servers.

Ardham technologies submitted and awarded 1 bid for the amount of 19,220.72 for Ineligible devices includes IP Phones, Routers, and Firewalls.

[Recipient Name]
February 11, 2009
Page 2

Y112.5-2

Arctham technologies submitted and awarded 1 bid for the amount of 7,796.88 for ineligible BNI carts.

IV. POTS and Internet Services.

The panel received 1 bid and awarded to frontier for the amount of (need to call to clarify.)

V. Long Distance Phone carrier

The panel received 1 bid from Qwest for long distance.

Per year per minute rate is \$0.0447

Is an Interstate Rate outbound month to month per minute rate \$0.1000?

VI. Campus link, from DO to Many farms; Many farms to Tsaile and DO to New Admin.

One bid was submitted by Conterra Ultra Broadband offering their services to link with a 100 mps to manyfarms, tsaile and new admin. There is NOT bid for Internet services from the cloud and if they will offer will be only 20 mps depending on infrastructure carrier. They don't have Phone lines, analog lines, and trunks to have a solid Phone system. District call managers require trunking with local carrier and FX's for Emergency responders and Phones ID's.

Chinle Unified School District # 24

Bid's for form 470 Erate year 12

11-Feb-09

School year 2009-2010

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Cellular Services	Cellular One	Karen Kane	Wed 2/4/2009 8:22 AM	Email	1609 = 10740.48
1	Cellular Services	Cellular One	Karen Kane	Wed 2/4/2009 8:32 AM	Email	1609 = 10740.48

2 Cable & Fiber Maintenance Comlink Southwest Matt Bundy 2/5/2009 13:00 PM Individual Hand Carried 260182.81 ✓

2 Cable & Fiber Maintenance Comlink Southwest Matt Bundy 2/5/2009 13:00 PM Individual Hand Carried 260182.81 ✓

2 Cable & Fiber Maintenance Comlink Southwest Matt Bundy 2/5/2009 13:00 PM Individual Hand Carried 260182.81 ✓

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	PGIS & Internet Services	Rising Sun Technologies	Victor Belay	2/5/2009 13:00 PM	Individual Hand Carried	248,857.28 + tax
		ST.Chinle				18,160.00
		ST.manyfams				19,960.00
		ST.Tsaile				20,800.00
						7,235.00
						225,155.00
						246,755.00
						256,835.00
						728,745.00

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Links to 4 CUSD Sites	Conterra Ultra Broad	Kelley Boon	2/2/2009 15:00 PM	Post Office Mail	9,296.00

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Enable Smart Net Services	Ardham Technologies	Kurt Gulanber	7/5/2009 11:00	Individual Hand Carried	250,970.35

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Enable BNI Care	Ardham Technologies	Kurt Gulanber	7/5/2009 11:00	Individual Hand Carried	69,764.24

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	UPS maintenance	Ardham Technologies	Kurt Gulanber	7/5/2009 11:00	Individual Hand Carried	50,566.88

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Servers DNS DHCP Proxy	Ardham Technologies	Kurt Gulanber	7/5/2009 11:00	Individual Hand Carried	76,882.00

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Terminal Services and Exchange	Ardham Technologies	Kurt Gulanber	7/5/2009 11:00	Individual Hand Carried	19,220.72

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Inclis Cisco devices	Ardham Technologies	Kurt Gulanber	7/5/2009 11:00	Individual Hand Carried	27,966.88

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Enable BNI Services	Ardham Technologies	Kurt Gulanber	7/5/2009 11:00	Individual Hand Carried	27,966.88

Bid's	Description	Company Name	Sender	Date Received	Received via:	Annual Bid Value
1	Long Distance Phone Carrier	Owest		7/9/2009 16:37	Email	

All Providers in green are granted a contract only if Erate year 12 is approved.

SmartNet Ardham

BNI

UPS

Servers DNS DHCP

Term Servers & Exchange

Inclis Cisco

Inclis BNI

Long distance

250970.35 ✓
69764.24 ✓
50566.88 ✓

76882.00 ✓
19220.72 ✓
27966.88 ✓

12.5.3

245

CHINLE UNIFIED SCHOOL DISTRICT NO. 24 BID OPENING ATTENDANCE RECORD

Y213.3

Bid Name & #: ADM08-1337 - ERATE BASIC MAINTENANCE

Date: FEB 2, 2010

Place: ADM BLDG PURCHASING DEPARTMENT

Time: 4:00 p.m.

[illegible]

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Section X 29 / 41

eRate Vendor Evaluation Form – Final Selection Worksheet

Committee Chair:

Victor Hugo

Evaluation Committee:

Olin Littleman / Victor Hugo
Ellen Kildane

Date: 02/10/10

Directions: This is to be completed after all of the individual committee members' evaluation forms have been completed. First, write the names of each evaluator on one line each in the "Evaluator" column. Next, put the names of the vendors in a "Vendor" field on the top row. Once these fields have been filled in, transfer the total points awarded from the individual evaluation forms to the appropriate column on this form. Total the points for each vendor and place the total in the "Total Points" field. Next, compute an average (total points divided by the number of evaluators) and place this number in the appropriate "Average Score" field. The final selection will be the vendor who has the most points. This will also be the vendor with the highest average score.

Evaluator	Vendor 1	Vendor 2	Vendor 3	Vendor 4	Vendor 5	Vendor 6	Vendor 7
Victor Hugo	Ardhan Inc	SECOR Inc	Sandwell	Cellone	Comlink	10 Solutions	Vendor 7
Victor Hugo	100	35	55	99	80	50	100
Olin Littleman	81	40	90	87	68	45	90
CPG Peter Weiss	62	26	43	62	65	0	
Quincy Nately	88	57	74	84	71	0	84
Total Points	381	148	267	332	284	95	71
Average Score	82.25%	37%	66.75%	83%	71%	23.75%	84%

Committee Chairperson Signature

Victor Hugo

2/10/10
Date